



**Life Insurance & Wealth
Management Practice Committee
Update and Member Contribution
Session**

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Purpose of Session

- Find out what topics the committee will be focussing on over the coming year, including depth and direction of focus
- Discuss and contribute to the direction being taken by the committee on these key topics
- Discuss the extent of industry and member contributions to committee activities
- Discuss and suggest additional topics of focus for the committee, including areas of additional professional guidance



Topics

- Legacy portfolio management
- Product rationalisation
- Unit pricing
- Industry experience investigations
 - The ability to get companies to contribute to studies
 - Future funding of studies
- Resilience reserving enhancements to LIASB standards
- Pandemics and catastrophe risk
- Target surplus

Topics cont...

- The ability to support the Part III education program from current membership
- IFRS (I&II)
- Solvency II
- Additional focus areas in wealth and investment management
- Potential research topics



Product Rationalisation and Legacy Portfolio Management

- Define IAAust public policy on product rationalisation
- Provide input and comment on IFSA and government proposals
- Produce an actuarial framework for assessing rationalisation proposals
- Assess current actuarial management of closed books

Unit Pricing

- Is industry guidance enough
- Is there a need for Institute specific guidance or discussion note?
- Statutory appointed actuary role? Conflicts?
- Other roles?



Industry Experience Investigations

- How to get industry to contribute more effectively
- Future funding of studies
- Timelines – turnaround and frequency
- Any further studies required?
- Any other suggestions or improvements

Pandemics and Catastrophe risk

- Discussions note for Appointed Actuaries?
- Claims cost impacts?
- Broader operational and systemic impacts?
- Public comment and / or research?

Resilience Reserves

- LIASB terms of reference to be agreed
- Role of the Institute?
- Involvement of non actuaries?
- Handling modern investment markets and strategies?

Target surplus

- Is a guidance or discussion note required?
- What content?

Education

- How do we support the Part III Life Insurance course going forward from current membership?

IFRS

- Phase I
 - Variations in practice
 - Issues requiring discussions or guidance
- Phase 2
 - Monitoring phase

Solvency II

- Watching brief



Wealth management and investment management

- Distribution economics (including structure of remuneration)
- Risk capital techniques
- Product profitability
- Value based management
- Reverse mortgages
- Retirement income products



Potential research topics

- Correlation of assumptions to external factors (eg: economic cycles)
- Greater use of statistical techniques
- Pandemics – what level of shock can the life and reinsurance industries withstand?
- Impact of genetic advances of life company claims
- Retirement income solutions
- Longevity risk
- Operational risk